



Strategic Plan Update

January

2014

Mission Statement: To proactively provide independent, objective assurance and consulting activities to assist both policy makers and program managers in providing high - quality services in a manner that is accountable, efficient, effective and ethical. We are committed to being the preeminent provider of value added services and to continual improvement of our audit process to make it ever more responsive to our client's needs.

Office of Internal Audit



A *WORD* FROM MAYOR FISCHER...



Dear citizens:

It's been one year since Louisville Metro Government introduced its strategic plan to citizens and we've already made considerable progress toward our five objectives and 21 goals. From planting more trees to creating an even safer city to growing jobs and wages, my team is focused on our common dream for Louisville -- to create a clean, green, safe and inclusive city where people love to live and work. The Six-Year Strategic Plan (we are now in year two) is a roadmap for getting us there -- and you will see that some of our goals have been updated and revised to better reflect the work we've already accomplished -- and the work ahead.

We view our work in Metro Government through three lenses:

- Daily work -- the day-to-day items that keep city government running efficiently and effectively;
- Continuous improvement -- improving on that daily work;
- Innovation and breakthrough -- creating and implementing those big ideas that propel us forward as a government and as a city.

The Strategic Plan contains elements of all three. I encourage citizens to review the goals and objectives -- along with the data and metrics behind them -- to learn more about how their city government is working for the betterment of Louisville, every single day.

Thank you for allowing me to serve as your Mayor.

Mayor Greg Fischer



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OUR *PURPOSE* AND *VISION*...



Louisville Metro Government is the catalyst for creating a world-class city that provides its citizens with safe and vibrant neighborhoods, great jobs, a strong system of education and innovation, and a high quality of life.

“Louisville is a city of lifelong learning and great jobs, wellness, and compassion”



OUR SCOPE OF REFERENCE:

- ✓ REFLECTIONS FROM CHIEF HESEN
- ✓ MAYOR'S FIVE STRATEGIC OBJECTIVES
- ✓ DEPARTMENT STRATEGIC OBJECTIVES
- ✓ CONTINUOUS IMPROVEMENT: LEARNING ALONG THE WAY





Chief of Staff

Implementing a Strategic Planning process within Louisville Metro has added value to our agencies and to the administration. It has provided a real process so that the Mayor's vision for Louisville is strategically planned in order to drive policy decisions which, in turn, drives the budget - rather than the reverse. It also ensures that when we execute the Mayor's vision and goals, we are doing so in an efficient, transparent and compassionate manner.



Ellen Heslen,
Chief of Staff

MAYOR'S FIVE STRATEGIC OBJECTIVES – 6YRS



These five objectives are the ultimate outcomes the Fischer Administration is working hard to achieve.

- 1. Deliver Excellent City Services:** We strive to be the best city government in America and will use a robust measurement system to drive employee performance and track our results.
- 2. Solve Systemic Budget Issues:** We will resolve the structural budget imbalance that limits our city and its growth. Our expenses cannot continue to outpace revenue growth.
- 3. Take Job Creation To The Next Level:** We will create a culture of innovation that fosters the growth of 21st Century jobs, focusing on our strategic economic development strengths—lifelong wellness and aging care, value-added logistics, advanced manufacturing, and the food and beverage industry. We will champion a business-friendly entrepreneurial environment that recognizes education is the foundation for job creation. We will work with our schools, colleges and universities to deliver a 21st century workforce.
- 4. Invest In Our People And Neighborhoods, Advance “Quality Of Place”:** We will build on Louisville’s unique and creative people and history, embracing all citizens and our growing international population, by improving public transportation, the arts, and our parks. We will ensure a safe, inclusive, clean and green city -- a city that looks toward the future by capitalizing on our diverse population, our geography, and the Ohio River.
- 5. Create Plans For A Vibrant Future:** We will develop and begin implementation of a 25-year vision for the city, including targeted neighborhood revitalization. The vision will detail how the city will look, feel and flow in the short, mid, and long term.

DEPARTMENT STRATEGIC OBJECTIVES – 6 YEARS



The following functional objectives are high-level accomplishments that the department is focused on achieving over the next six years.

- 1. Business Objectives and Goals:** Those entrusted with Louisville Metro Government resources are responsible for establishing and maintaining effective controls to ensure that programs meet their goals and objectives.
- 2. Compliance with Applicable Laws and Regulations:** Those entrusted with Louisville Metro Government resources are responsible for establishing and maintaining effective controls to ensure identification of and compliance with applicable laws and regulations.
- 3. Safeguard Resources:** Those entrusted with Louisville Metro Government resources are responsible for establishing and maintaining effective controls to ensure resources are safeguarded against waste, loss and misuse.
- 4. Accuracy and Reliability of Financial Information:** Those entrusted with Louisville Metro Government resources are responsible for establishing and maintaining effective controls to ensure that valid and reliable data are obtained, maintained and fairly disclosed.



Learning Along the Way

In January of 2013 each department, within the Metro enterprise, published its inaugural 6 year Strategic Plan, spanning Fiscal Years 2013 - 2019. In doing so, we collectively ushered Louisville Metro Government into a new era of planning and performance improvement. This new era is best described by the phrase “Continuous Improvement Journey”; a phrase that has become the watchword for Metro’s pursuit of becoming ‘World Class’ among its peer cities. As with any pursuit toward excellence, change is required, arguably needed and expected ---the kind of change that is proactive, inclusive, comprehensive and continuous.

We responded to the call by designing a new process which enables us to accurately and confidently provide real-time updates on both our progress and performance. This said, we view a department’s strategic plan as a “living and breathing” document. Hence, it will continue to evolve with time; as goals are accomplished, new assignments are made and core missions are realigned to adapt to the changing needs of the city and its citizens. But each plan will also evolve because of discoveries ---as we acquire a better understanding of our strengths and weaknesses; and yes, even as we learn from our mistakes. This past year has brought about numerous and exciting changes for our collective enterprise; we have grown departmentally and matured as an organization. We have learned a great deal about ourselves, one another and most importantly about what our citizens expect from us. This learning process has been a challenging one, but one that all departments have gone through in their pursuit of excellence. The progress report covers our strategic efforts from January 1, 2013 to November 30, 2013. What follows is the culmination of our progress and what we have learned along the way...

Enjoying the Journey,

DeVon M. Harkins

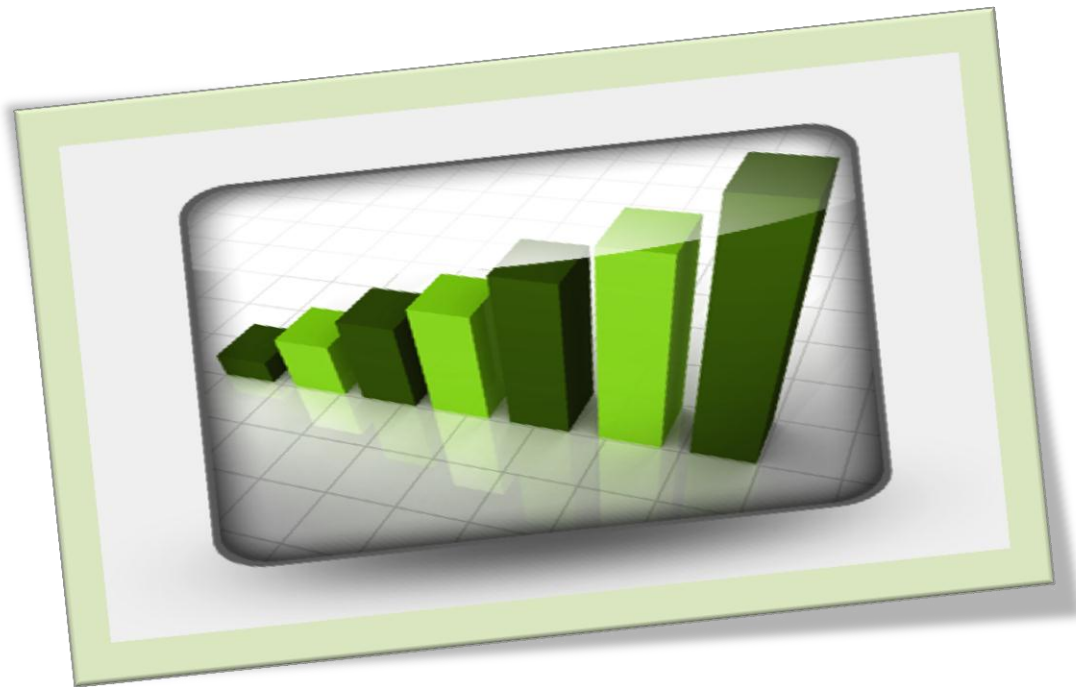
Deputy Director of Strategic Planning

Samantha M. Yung

Strategic Planning Fellow

PROGRESS AND PERFORMANCE:

- ✓ STRATEGIC PLANNING TERMS
- ✓ DEPARTMENT PROGRESS REPORT & KPIs
- ✓ ACCOMPLISHMENT REPORT
- ✓ MATURATION: CHANGES WE HAVE MADE





STRATEGIC PLANNING TERMS

Enterprise: Includes all departments, agencies and offices under the jurisdiction of Louisville Metro Government.

SMART: Stands for **S**pecific **M**easurable **A**ctionable **R**ealistic and **T**ime-bound.

Goal: A specific outcome that a department desires to achieve. We strive to make our goals *SMART* so that we can easily, accurately and confidently report our progress against them.

Initiative: Describes the course(s) of action that the department will take in an effort to achieve a specific goal. An initiative may often run parallel to or work interdependently with other initiatives that are aligned against the same goal.

Initiative Progress: Describes the outcome of the courses of action taken and outlines what resources and/or programs the department utilized, implemented, or created to ensure the success of the actual initiative itself.

Progress (% Complete): An approximate percentage of completion for a given Initiative.

- 25% - some action steps, required for the initiative, are completed
- 50% - about half the action steps, required for the initiative, are completed
- 75% - most action steps, required for the initiative, are completed
- 100% - all action steps, required for the initiative, are completed

Health: Describes whether or not the goal or initiative is on schedule based upon the *Target Start Date* and *Actual Start Date* and the *Target End Date* and *Actual End Date*. Health is indicated by using a color-coded index; the index colors are green, yellow, and red.



Green: On Track



Yellow: Slightly Off-Track



Red: Off Track



STRATEGIC PLANNING TERMS

Target Start Date: This is the date that the goal or initiative is "planned" or intended to be started.

Actual Start Date: This is the date that the goal or initiative is actually started.

Target End Date: This is the date that the goal or initiative is "planned" or intended to be completed.

Actual End Date: This is the date that the goal or initiative is actually completed.

Key Performance Indicator (KPI): It is a measurement, preferably numerical, that reflects the level of performance that is critical to success. KPI's should be validated by their *Source* and chosen method of analysis and calculation.

Source: The data, statistics and information that is collated either internally (department and/or Metro) or externally (federal or state government agencies, or non-governmental entities such as non-profits/advocacy organizations, or private companies). The Source should inform as to where the data originated, how it was collected, who collected it and who owns it; it validates the KPI.

Baseline: A standard against which present or future performance can be compared. It is essentially the measurement that provides a basis for comparison from where you use to be to where you currently are or desire to be. A well defined *SMART* Goal should clearly define how to calculate the value of your Baseline.

Benchmark: The agreed upon value or measure recognized by industry participants as being the "best practice" in the industry or field (i.e., best in class or world). Benchmarks may be set by statute, regulation or professional standards.

PROGRESS REPORT

Description of Dept. Goal	Description of Initiatives	Status per the Department's Nov. Report-out Date:					Goal KPI and Analysis
		Describe Initiative Progress	Initiative Progress (% Complete)	Initiative Health (Color)	Goal Progress (% Complete)	Goal Health (Color)	
1. Increase our staff productivity rate by 3% before FY 15 and at least 6% before FY 17. Our goal is to achieve a productivity rate at or above the industry average of 75%. Department Objectives Met: 1 Mayor's Objectives Met: 1	Implement time management summary sheets to track employees productivity bi-weekly.	Time management summary sheets are being utilized by all staff.	100%		50%		KPI: Staff Productivity Rate
	Perform a Lean project to streamline audit processes and increase efficiency	Management attended Lean training and is in process of performing the project.	50%				
2. Complete 90% of the annual audit plan each fiscal year by the end of FY15, depending on the occurrence of unforeseen events that may cause fewer resources to be available for projects scheduled in the annual audit plan. Our goal is to improve upon performance in prior years, in which we completed less than 90% of the annual audit plan due to the occurrence of unforeseen events. The annual audit plan is a document created at the beginning of each fiscal year that includes a list of projects that the Office of Internal Audit plans to complete during the year. Department Objectives Met: 1 Mayor's Objectives Met: 1	Create realistic audit plan that is achievable within the year.	Chief Audit Executive created annual audit plan September 2013	100%		25%		KPI: % of planned projects completed each fiscal year
	Conduct bi-annual skills assessment to determine staff's area of strengths and weakness.	Benchmarking skill assessment tools. Target start date: December 2013	25%				
	Effectively deploy resources in order to assign staff to projects in accordance with their strengths and skill levels.	Management assigns projects and deploys resources according to staff's strengths and weaknesses.	75%				
	Improve and increase dialogue with the administrative and legislative branches of government	Chief Audit Executive has monthly meetings with the Mayor's Office and periodically presents to the Government and Ethics Accountability Committee of Metro Council.	75%				

PROGRESS REPORT

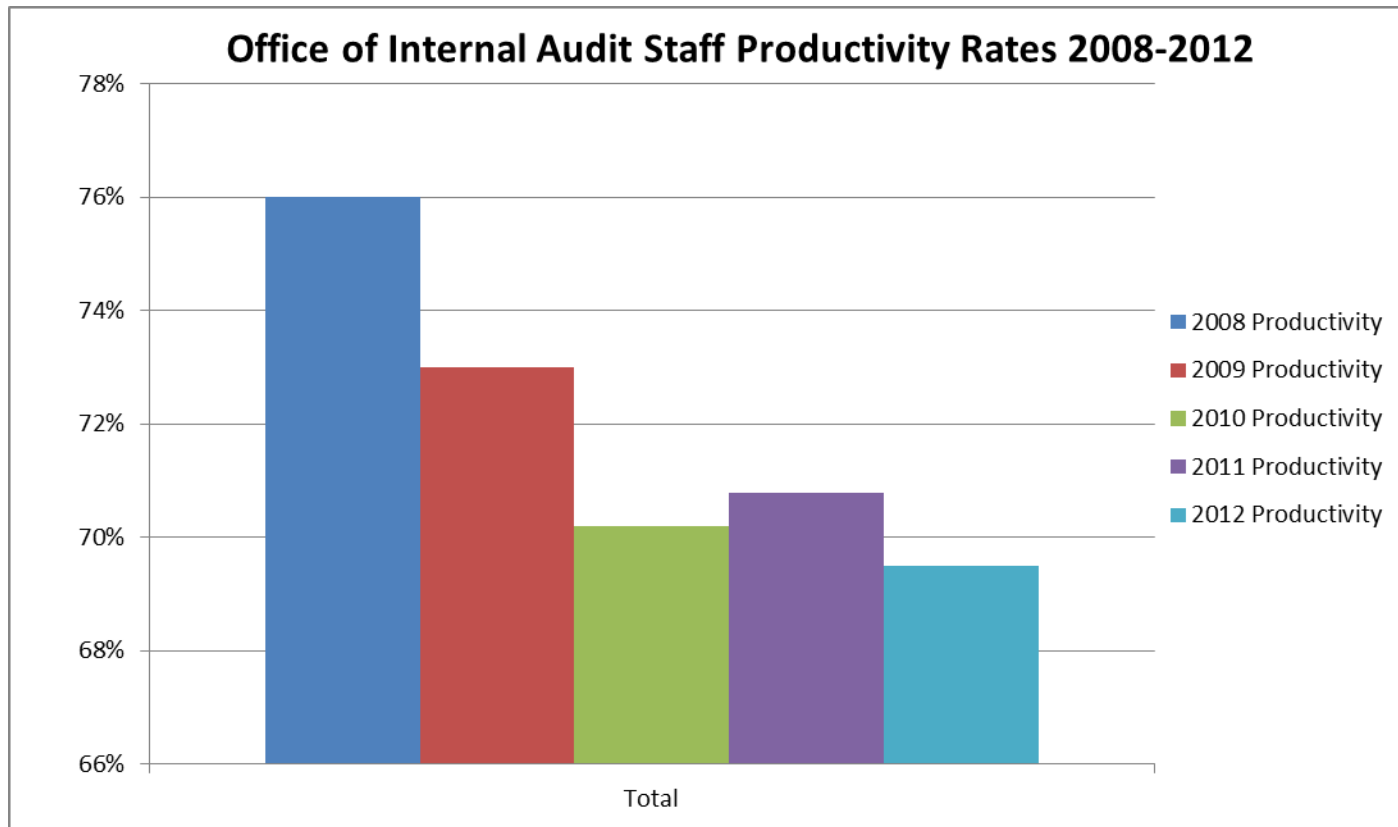
Description of Dept. Goal	Description of Initiatives	Status per the Department's Nov. Report-out Date:					Goal KPI and Analysis
		Describe Initiative Progress	Initiative Progress (% Complete)	Initiative Health (Color)	Goal Progress (% Complete)	Goal Health (Color)	
<p>4. Identify risk management processes within each of Metro's Departments and Agencies by FY16. Risk management processes include a department or agency's process for identifying, analyzing, and subsequently accepting or mitigating risk. By definition, an entity wide assessment of risk management includes 100% of departments and agencies within the organization.</p> <p>Department Objectives Met: 1 Mayor's Objectives Met: 1</p>	Partner with other risk and control functions, such as the Office of Performance Improvement, to create a protocol for risk management.	Identifying risk and control functions within Louisville Metro Government.	25%		25%		KPI: % Of Departments and Agency's assessed
	Serve as a catalyst for the formation of an enterprise risk council (i.e. cross functional team) to evaluate Louisville Metro Government's current risk management processes and implement an enterprise-wide risk management framework.	Initiating discussions with contact persons at risk and control functions already identified.	25%				
	Perform a pilot assessment of 50% of the organization, before implementing an entity wide assessment of risk management.	Reviewing the internal audit enterprise risk assessment as a baseline.	25%				
<p>5. Begin implementing the automation of an electronic work paper system before Fiscal Year 2015. Our goal is to reduce the use of hard copy audit files by 75%, as we currently retain 100% of our audit files in paper form.</p> <p>Department Objectives Met: 1 Mayor's Objectives Met: 1,5</p>	Internal Audit has the opportunity to create a technology based solution at no cost which will create, organize and share audit file documentation.	Pursuing the use of SharePoint software as tool to create, organize and share audit file documentation.	25%		25%		KPI: % of project activity performed and retained completely with SharePoint
	"Train the trainer" in the utilization of SharePoint software.	Assigned a team member to attend monthly SharePoint training sessions held by Metro Technology Services.	25%				

PROGRESS REPORT

Description of Dept. Goal	Description of Initiatives	Status per the Department's Nov. Report-out Date:					Goal KPI and Analysis
		Describe Initiative Progress	Initiative Progress (% Complete)	Initiative Health (Color)	Goal Progress (% Complete)	Goal Health (Color)	
<p>6. Include the total amount of potential dollar recoveries and savings identified during the fiscal year annually in our Activity Report before January of FY 2015. We would like to increase the information that we currently, report as we do not currently track and report this information.</p> <p>Department Objectives Met: 1 Mayor's Objectives Met: 1,2</p>	Quantify recoveries and savings in annual audit report.	Management is in process of creating a tracking tool to record savings identified in projects throughout the year.	25%		50%		KPI: Dollar recoveries and savings identified during an engagement
	Quantify the dollar amount related to specific issues during the audit engagement.	Staff has begun to include dollar amounts of issues identified during the review in final reports.	75%				
<p>7. Increase our staff certification level from the current 42% to 90% by FY16. The Certified Internal Auditor designation, while not required, is encouraged for all Internal Audit staff members.</p> <p>Department Objectives Met: 1 Mayor's Objectives Met: 4</p>	Purchase study materials for staff and allow time during the work day to study for the certification exam.	Continually informing staff of the certification opportunity and having the funds for the study materials readily available.	25%		25%		KPI: Number of newly certified employees

GOAL KEY PERFORMANCE INDICATORS - KPIs

Goal #1: Increase our staff productivity rate by 3% before FY 15 and at least 6% before FY 17. Our goal is to achieve a productivity rate at or above the industry average of 75%.



ACCOMPLISHED GOALS

The goals listed below have been accomplished by the department during our first year of planning. It is important to note that in many cases, although the short term goal has been accomplished, there remains a need and an expectation that we will continue to monitor our performance. In doing so, we challenge ourselves to validate our progress.

Description of Dept. Goal	Description of Initiatives	Status per the Department's Nov. Report-out Date:					Goal KPI and Analysis
		Describe Initiative Progress	Initiative Progres (% Complete)	Initiative Health (Color)	Goal Progress (% Complete)	Goal Health (Color)	
<p>3. Average 5 days of continual professional development per auditor for the year by FY14. Our goal is to ensure all of our staff, regardless of certification status, comply with the Certified Internal Audit certification requirement, which is 40 hours per year.</p> <p>Department Objectives Met: 1 Mayor's Objectives Met: 4</p>	Allocate necessary financial support	Complete	100%		100%		KPI: CPE Hours per Auditor

STRATEGIC PLAN CHANGES

This is LMG's Change Management Form for Strategic Planning; the intent of the form is two-fold: 1. To provide a mechanism for departments to be transparent with citizens regarding its maturation process through the Continuous Improvement journey; and 2. To catalog its efforts of responding to the voice of their customer in "real time".

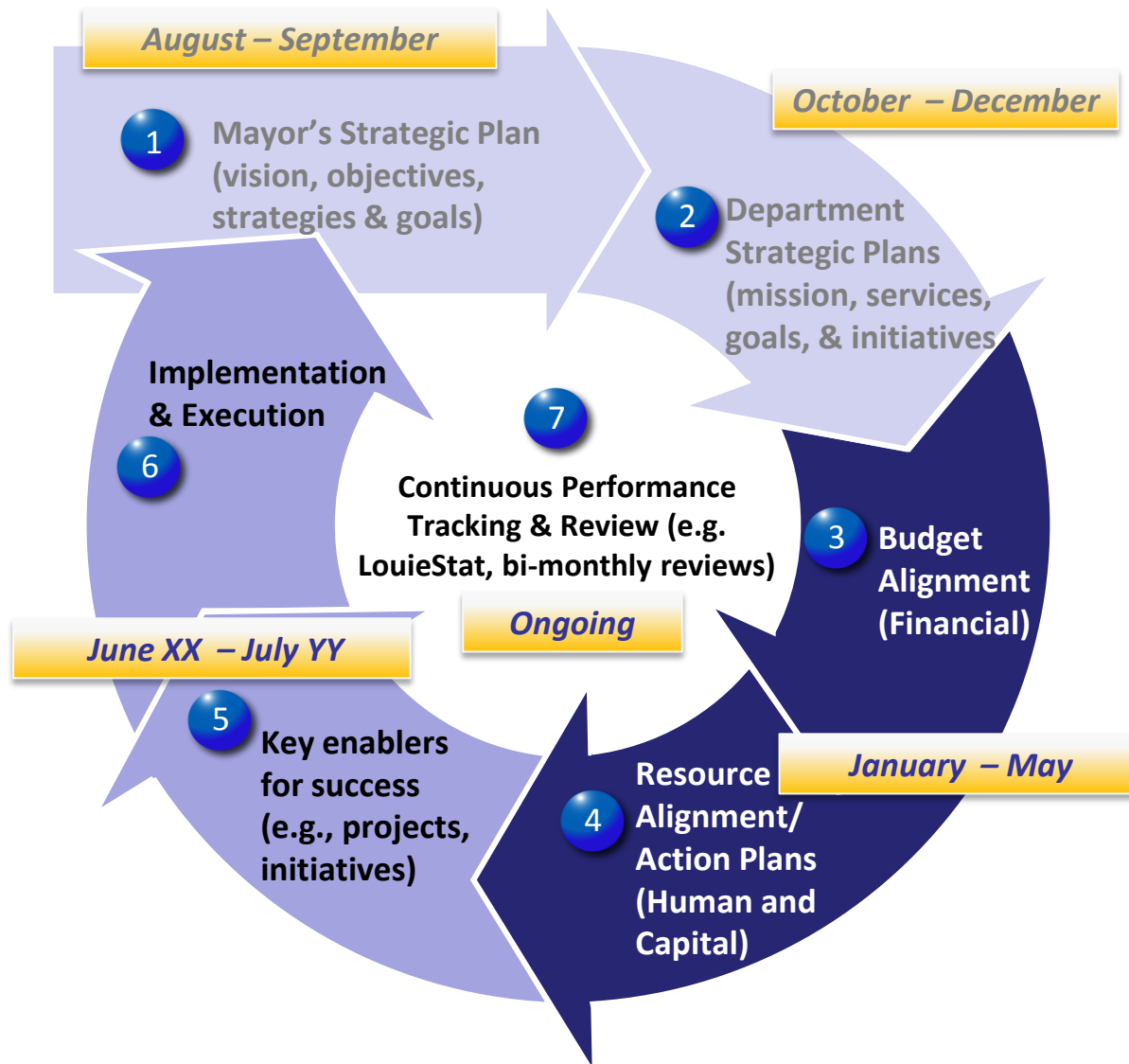
OLD Dept. Goal #	Description of Dept. Goal	Reason the goal was edited or deleted.	Date Changed/Added
4	Complete an entity-wide assessment of risk management processes and capabilities by FY15.	As a result of a review of our resources and in an effort to coordinate with other risk management agencies in Metro, the completion date of the goal had to be changed from FY15 to FY16.	November 2013
NEW Dept. Goal #	Description of Dept. Goal	Reason the goal was edited or deleted.	Date Changed/Added
4	Identify risk management processes within each of Metro's Departments and Agencies by FY16. Risk management processes include a department or agency's process for identifying, analyzing, and subsequently accepting or mitigating risk. By definition, an entity wide assessment of risk management includes 100% of departments and agencies within the organization.	See above	November 2013
NEW Dept. Goal #	Description of Dept. Goal	Reason the goal was edited or deleted.	Date Changed/Added
7	Increase our staff certification levels from the current 42% to 90% by FY16. The Certified Internal Auditor designation, while not required, is encouraged for all Internal Audit staff members.	This goal was added as a continuation of the completed Goal #3 that stated: Average 5 days of continual professional development per auditor for the year by FY14. Our goal is to ensure all of our staff, regardless of certification status, comply with the Certified Internal Audit certification requirement, which is 40 hours per year.	November 2013

ENTERPRISE GOVERNANCE DOCUMENTS:

- ✓ METRO PLANNING CYCLE
- ✓ METRO PLANNING CALENDAR



LOUISVILLE METRO PLANNING CYCLE



The Louisville Metro Planning Cycle, provides guidance to departments on syncing strategy development with planning milestones, scheduling project timelines, forecasting resource needs and setting execution dates.

LOUISVILLE METRO PLANNING CALENDAR

May	June	July	August	Sept.	Oct.	Nov.	Dec.	Jan	Feb	March	April
	Final Budget Released	Start of New Fiscal Year						Mayor Releases Strategic Plan			
Louisville Metro Current State Internal Assessment (Progress toward goals)			Louisville Metro Senior Leadership Planning Retreat	Refine Louisville Strategic Plan	Share Updated Plan with Departments				Mayor and Senior Staff review and reconcile with Mayor’s priorities and work with Departments and OMB to finalize budget proposal by May 1		
Louisville Metro External Assessment (e.g., Macro Trends, Benchmarks, Best practice)					Refine Department 6 Year Strategic Plans			Departments Finalize Strategic Plans & Develop 1 year Budgetary and Action Plans		Departments finalize 1 year Budgetary and Action Plans	
	Departments report Strategic Plan progress to Directors	Directors report Strategic Plan progress to Chiefs		Chiefs report Strategic Plan progress to Mayor	Departments conduct their own internal and external assessments		Directors report Strategic Plan progress to Chiefs	Chiefs report Strategic Plan progress to Mayor	Mayor reports Strategic Plan progress to Citizens	Departments report Strategic Plan progress to Directors	Directors report Strategic Plan progress to Chiefs
Implementation, Tracking and Execution of Strategic Plans (ongoing)											

Mayor's Office

Departments

Mayor's Office & Dept. Directors

[illegible]

2014

Our Continuous Improvement Journey...



Mayor Greg Fischer

~ “My dream for Louisville is to create a clean, green, safe and inclusive city where people love to live and work...”